


**MEDICAID SERVICES MANUAL
TRANSMITTAL LETTER**

December 20, 2007

MEMORANDUM

TO: CUSTODIANS OF MEDICAID SERVICES MANUAL
FROM:  JOHN A. LIVERATTI, CHIEF OF COMPLIANCE
SUBJECT: MEDICAID SERVICES MANUAL CHANGES

BACKGROUND AND EXPLANATIONS

Changes to this chapter are the result of the Deficit Reduction Act of 2005 which requires fee-for-service State Medicaid programs capture and report National Drug Codes (NDC) for physician administered/outpatient drugs in order for the State to receive federal financial participation.

Other changes are the result of the "Extenders Law" delaying the implementation date to April 1, 2008, for the requirement that all written prescriptions for fee-for-service Medicaid recipients are written on tamper-resistant prescription pads.

There are miscellaneous typographical changes.

MATERIAL TRANSMITTED

MTL 25/07
CHAPTER 1200 – PRESCRIBED DRUGS

Sec. 1201
 Added the Authority of the Deficit Reduction Act of 2005. Reporting of NDCs for physician/administered/outpatient drugs.

Sec. 1202.2
 Added definition of Administration Fee
 Updated numbering

Sec. 1202.5
 Corrected typographical error.

Sec. 1202.10
 Added "federal regulations"

MATERIAL SUPERSEDED

MTL 16/07, 44/03, 02/07, 16/05
CHAPTER 1200 – PRESCRIBED DRUGS

N/A

N/A

N/A

Deleted "42CFR447.332 and 1927(c) of the Act as amended by OBRA 1993."
 Deleted calculation of FUL,
 language to be added to Chapter 700,
 Rates.

Sec. 1202.16 Added definition of Medicaid Management Information System (MMIS)	N/A
Sec. 1202.19 Added definition of National Drug Code Updated numbering.	N/A
Sec. 1202.31 Changed effective date to April 1, 2008, Tamper Resistant Prescription pads Corrected typographical errors.	Deletes October 1, 2007
Sec. 1203.1A(1)(b) Added "and non-legend" pharmaceuticals	N/A
Sec 1203.1A(1)(c) Added "Medicaid Operations"	Deleted "Program Services"
Sec. 1203.1B2a	Deleted reference to another section in Chapter 1200
Sec. 1203.1D Added "SERVICE DELIVERY MODEL" language. Documents institutional and outpatient pharmacy billing.. Renumbers Sec. 1203.1D.	Deleted "Section 1203.1D(1.),(2.),(3.),(4.) REIMBURSEMENT. This language to be added to Chapter 700, Rates.
Sec. 1203.3. Moves language to Sec. 1203.1D, "SERVICE DELIVERY MODEL" Documents outpatient providers pharmacy billing related NDC requirements.	Deleted Section 1203.3, INPATIENT/OTHER OUTPATIENT PHARMACY COVERAGE Language is moved to Sec. 1203.1D, or added to Chapter 700, Rates.
Appendix A. Corrected page numbers	N/A